GOVERNMENT OF INDIA
PLANNING
LOK SABHA

STARRED QUESTION NO:298
ANSWERED ON:19.03.2008
POVERTY IN INDIA
Mane Smt. Nivedita;Yaskhi Shri Madhu Goud

Will the Minister of PLANNING be pleased to state:

(a) whether eighty percent of India's population live on less than 2 US dollars a day as per the World Bank estimates;

(b) if so, the details thereof and the reaction of the Government in this regard;

(c) whether India has also achieved less than half the target to cut hunger in half according to a recent study by a US based international food policy research institute;

(d) if so, whether the United Nations as part of the Millennium Development Goals (MDG) has fixed any target for India to remove poverty;

(e) if so, the details thereof and the targets achieved so far; and

(f) the steps taken or being taken by the Government to achieve the targets under MDG?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (f) OF LOK SABHA STARRED QUESTION NO. 298 REGARDING POVERTY IN INDIA BY SHRI MADHU GOUD YAKSHI, SHRIMATI NIVEDITA MANE, DUE FOR ANSWER ON 19/03/2008.

(a) and (b) : According to the World Development Indicators 2007, brought out by the World Bank, 80% of India's population lived below $ 2 a day in the year 2004-05. These estimates of the percentage of people living below the international poverty line of two US dollar a day, measured at 1993 international price and adjusted to local currency using PPP (Purchasing Power Parity) conversion factor are computed by the World Bank in order to monitor progress in reducing poverty worldwide. This measure of poverty by the World Bank has several well-known deficiencies. These are:

(i) it does not allow for cost-of-living differentials within countries;

(ii) it does not distinguish between transient and chronic poverty;

(iii) it only values goods and services delivered through the market;

(iv) it does not consider intra-household allocation of expenditure; and

(v) it deals in only a rudimentary fashion with differences in household size and composition.

Given the method of computation, there is no certainty that the international poverty line will be able to measure the same degree of need or deprivations across countries. The Government of India does not use the estimate, since it does not distinguish between rural and urban areas or between different States of the country.

(c) to (e) : According to the Global Hunger Index (GHI) 2007, prepared by the International Food Policy Research Institute (IFPRI), India's GHI score is 25.03 in 2007 as compared to 33.73 in 1990. GHI 2007 does not specifically mention a target for reduction in hunger for India. The United Nations as part of the Millennium Development Goals (MDG) has not specified target for India to remove poverty. However, in MDG there is a global target for poverty reduction according to which the proportion of people whose income is

less than one dollar a day is to be halved, between 1990 and 2015. As per the Planning Commission estimates, using two latest comparable estimates based on the large sample survey data on household consumer expenditure conducted by the National Sample Survey Organization (NSSO) in its 50th Round (July 1993-June 1994), and 61stRound (July 2004-June 2005), the proportion of people living below the poverty is observed to decline from 36 percent in 1993-94 to 27.5 percent in 2004-05.

(f) : The Government has not drawn any separate programme to meet the Millennium Development Goals. However, the Millennium Development Goals are quite similar to the objectives and targets laid down in the Five Year Plans. In fact, some of the targets as specified in the Eleventh Five Year Plan relating to poverty alleviation are more ambitious than the ones specified in the Millennium Development Goals. To achieve these, the Eleventh Five Year Plan has set the growth target for the economy at 9% per year for the plan period (2007-12) and aims at putting the economy on a sustainable growth trajectory with a growth of approximately 10% by the end of its period. The objectives of faster and inclusive growth in the Eleventh Plan are encapsulated in a set of monitorable socio-economic targets in the areas of income and poverty, education, health, women and children, environment, infrastructure, etc. The government has been implementing a number of programmes which are essentially related to MDG goals and targets. In alleviating poverty, the major schemes and programmes include Sampoorna Grameen Rozgar Yojana (SGRY), Swarnjayanti Gram Swarozgar Yojana (SGSY), Indira Awaas Yojana (IAY), National Rural Employment Guarantee Programme (NREGP), Swaran Jayanti Shahri Rozgar Yojana (SJSRY), Targeted Public Distribution System (TPDS) and Antyodaya Anna Yojana (AAY). The Government is also implementing a number of programmes to improve the nutrition status of the population. These are Integrated Child Development Services (ICDS), Mid-day Meal Scheme, etc. For health, National Rural Health Mission is being implemented. For education, Sarva Shiksha Abhiyan is being implemented. For water supply and sanitation, the Accelerated Rural Water Supply Programme (ARWSP) and Total Sanitation Campaign, respectively are being implemented. For rural and urban infrastructure, Bharat Nirman, Jawaharlal Nehru National Urban Renewal Mission respectively have been launched. These programmes are being implemented in collaboration with the State Governments.